Florida TaxWatch

2025 Legislative Session Wrap-Up

Extended Session Edition – Includes Final Budget, Tax Package, and Vetoes

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Introduction

Florida legislators get 60 days to finish their work during legislative sessions. This year, when that time was up on May 2, they had not finished the only thing they are constitutionally required to do—pass a budget. The chambers could not find agreement on two very different tax relief proposals that were more than $4 billion apart. It was difficult to begin debating the details of the budget because the gulf between their tax plans put a lot of uncertainty into how much money they had to spend.

The session had to be extended until June 6. After a tentative agreement on taxes fell apart, the Legislature had to extend again – until June 16. Common ground was eventually found, resulting in a $2 billion tax package and a $115.1 billion budget for FY 2025-26. The Governor signed the budget—and vetoed $376 million worth of appropriations—on the day before the new fiscal year began.

The final agreement does include some features that were worth the wait. There is significant tax relief, including the long overdue elimination of the Business Rent Tax, the culmination of 10-plus years of Florida TaxWatch research.

The Legislature was able to maintain healthy reserves—critical in this time of economic uncertainty. They also continued—and enhanced—the laudable goal of accelerating the reduction in state debt.

But as always, there is room for improvement. The budget's bottom line is smaller than last year's but despite all the early focus on reducing recurring General Revenue (GR) spending to address projected coming budget shortfalls, the budget represents a $1.9 billion increase over the recurring GR base budget. The desire to reduce spending also had little effect on the desire for member projects. The new budget contains approximately 1,700 earmarked, mostly local, member projects, worth well over $2.5 billion.

Florida TaxWatch applauds the Legislature's continued commitment and significant investment in improving and protecting the state's vital water quality. However, the lack of a statewide, comprehensive, and criteria-driven planning and project selection process casts doubt on whether these investments are being spent in a way that produces the greatest return.

2025 was one of the most acrimonious sessions in recent memory and the dysfunction could be a reason the Legislature passed a relatively small number of bills – 255. Passing fewer bills is not necessarily a bad thing, but with all the bickering, it did seem that there was good legislation waiting in vain for a final floor vote.

When the regular 60-day session ended, Florida TaxWatch released a pre-budget and tax package version of our annual Legislative Session Wrap-Up. But now with those important legislative tasks complete, we are back with an updated Wrap-Up, detailing what was included, and reflecting the impact the budget, tax package, and Governor's vetoes had on the other sections of this report.

2025 Session Budget Deal – At-A-Glance

After two extensions (May 2 → June 6 → June 16), lawmakers finally approved a $115.1B FY2025-26 budget and $2B tax package; the Governor signed it on the eve of the new fiscal year and vetoed $376M. The deal eliminates the Business Rent Tax (a decade-plus Florida TaxWatch priority), keeps healthy reserves, and continues accelerated debt reduction. Still, recurring GR rose $1.9B, roughly 1,700 local member projects >$2.5B were funded, and big water quality dollars landed without a statewide, criteria-driven plan. Only 255 bills passed in one of the most acrimonious sessions in years.

Taxation

Legislature Provides $2.0 Billion in Tax Relief

Both chambers proposed record tax relief packages, but they differed on how and by how much. The House bill included a permanent sales tax cut from 6.0 percent to 5.25 percent, saving taxpayers $5.4 billion annually, including $540 million in local revenue. There were also other much smaller measures in the bill, the largest being a $27.3 million elimination of the aviation fuel tax. Most of the other provisions are less than $5 million each.

The Senate President believed a revenue reduction the size of the House proposal was not responsible and would lead to greater future budget shortfalls. The Senate countered with a relatively more modest proposal (SB 7034), centered around a permanent sales tax exemption for clothing and shoes priced at $75 or less, saving taxpayers almost $900 million annually. The package also includes five sales tax holidays, a one-time free motor vehicle registration ($790 million), and numerous other smaller tax relief and administrative measures. The Senate package totals $2.1 billion, but it would be a recurring state revenue loss of only $751 million, compared to the House's nearly $5.0 billion recurring state loss (plus $541 million in local tax revenue).

After the Speaker announced there was an agreement on a $2.8 billion tax package, the deal blew up, stopping negotiations on the budget. The budget and tax package would be settled in conference.

The Final Tax Package

HB 7031 will provide an estimated $2.0 billion in total tax savings. This includes $1.3 billion in state taxes and $700 million in local taxes. These savings are almost entirely recurring.

The final tax package includes some **Florida TaxWatch Tax Priorities:**

Business Rent Tax (BRT) – The repeal of the Business Rent Tax is the centerpiece of the tax package. The repeal is effective October 1, 2025, and includes any local option sales taxes that currently apply. Eliminating this anti-competitive tax, which is unique to Florida, has been a longstanding top Florida TaxWatch priority. **Our 10-plus years of research on the topic led to the BRT tax rate being reduced from 6.0 percent to 2.0 percent between 2017 and 2025, and ultimately to its final elimination.** This tax was a huge burden for small businesses. This final cut will save them, and any business that rents Florida property, a total of **$1.5 billion annually.**

Communications Services Tax (CST) – The bill includes a five-year extension of the moratorium that prohibits local governments from increasing CST rates. The moratorium will now be in effect until January 1, 2031. Read the recent Florida TaxWatch report on why this is needed.

Affordable Housing Tax Credits – A 2025 Florida TaxWatch report recommends creation of a state low-income housing credit and encourages the use of tax credits for adaptive reuse projects that convert properties for use as affordable and workforce housing. Bills were filed to expand the currently dormant State Housing Tax Credit Program and provide credits for adaptive reuse housing projects for historic properties, hotels, and shopping malls. These bills did not pass but other housing tax incentives were included in the tax package. See the Housing section for more information.

Other Tax Package Provisions

Sales Taxes

Back to School Sales Tax Holiday – This holiday exempts clothing ($100 per item or less), school supplies ($50 or less), learning aids and jigsaw puzzles ($30 per less), and personal computers and accessories ($1,500 or less) from the sales tax. This popular period will become a permanent, annual affair, lasting the entire month of August. Previously, legislation authorizing the tax holiday had to be passed by the Legislature each year and it only lasted between three and 14 days. This recurring holiday will save consumers $217 million annually.

Disaster Preparedness – Several items that have been included in the Disaster Preparedness Sales Tax Holiday will now have permanent, year-round exemptions. These are AA-cell, AAA-cell, C-cell, D-cell, 6-volt, or 9-volt batteries, smoke detection devices, carbon monoxide alarms, fire extinguishers, portable generators, waterproof tarpaulins and sheeting, ground anchor systems and tie-down kits, and portable gas or diesel fuel cans with a capacity of 5 gallons or less. Together, these exemptions are worth $147.2 million annually.

Outdoor Activities – Some of the items that have been included in the Freedom Summer Sales Tax Holiday will also become permanently exempt. The items are life jackets, bicycle helmets, sunscreen, insect repellent, and admissions to state parks. These exemptions will save $17.1 million annually.

Gold, Silver, and Platinum Bullion - Currently only sales of less than $500 are taxable. All sales will now be exempt, saving $2.2 million.

Data Centers - The deadline to receive the current data center sales tax exemption certificate is extended for 10 years, from June 30, 2027, to June 30, 2037, and the megawatts (MW) required to qualify are increased from 15 MW to 100 MW.

NASCAR Championship Race Tickets - When held at the Homestead-Miami Speedway, this race and any qualifying or support races held at the same track up to 72 hours before the race are now exempt.

Hunting, Fishing, and Camping Sales Tax Holiday – There will be a temporary sales tax holiday from September 8, 2025, through December 31, 2025, for outdoor recreation items including firearms and accessories, ammunition, bows, crossbows, arrows and other archery accessories, and camping and fishing supplies. This temporary exemption is worth $44.8 million.

Other Taxes

Aviation Fuel - The motor fuel tax on aviation fuel, including aviation gasoline, aviation turbine fuels, and kerosene, is repealed ($27.2 million).

Natural Gas Fuel Tax - The imposition of the scheduled tax on natural gas fuel is delayed (again). The tax was scheduled to begin at a reduced rate January 1, 2026, and be fully implemented on January 1, 2027. The dates are now January 1, 2030 (reduced rate) and January 1, 2031 (full implementation).

Corporate Income Tax - Charitable trusts will no longer be considered to be corporations, and therefore no longer subject to the Corporate Income Tax on their unrelated business taxable income, beginning on January 1, 2026 ($1.1 million).

Home Away from Home Tax Credit – This program will provide $13 million in annual tax credits to Florida businesses that contribute to charitable organizations that house families of critically ill children at little or no cost to the family while traveling so the child can receive care. Credits can be applied to corporate income, insurance premium, or beverage taxes.

The Rural Communities Investment Program – Investors in rural funds can earn a total of $7 million in annual tax credits against the corporate income or insurance premium tax. The program is capped at $35 million over five years.

Pari-mutuel Taxes - The slot machine licensing fee is eliminated for thoroughbred permitholders and the cardroom tax rate is reduced from 10 percent to 8 percent ($4.6 million).

Tourist Development Taxes – The allowable uses of these taxes are expanded by allowing all coastal counties to use them for beach lifeguards and fiscally constrained coastal counties to use them for capital improvements to public buildings.

Property Taxes – A number of provisions impacting ad valorem taxes and value adjustment boards are included in the tax package. For information on those provisions, see the Property Taxes section.

Other Tax Legislation

Legislation That Passed

Special Assessments - A bill dealing with child care and early learning provider licensing (SB 738) contains a provision that adds preschools to the list of properties that are exempt from municipal special assessments. It is estimated that this exemption is worth $5.9 million.

Legislation That Did Not Pass

These tax bills all advanced but did not pass. Many other bills had provisions that were included in the House or Senate tax packages.

SB 1244 would have increased the cap on the total annual amount of **Research and Development Tax Credits** from $9 million to $50 million. **Florida TaxWatch has long supported increasing the cap**. There have been some past increases, but they have only been temporary. SB 1244 cleared one committee but then stalled.

HB 7029 aimed to **regulate and tax the retail sale of hemp consumable THC products.** The bill would have created a new excise tax of 15% on the sales price when sold at retail. The first $6 million in revenue would be dedicated to enforcement of the state hemp program and the testing of hemp consumable THC products. The remainder would go to the General Revenue Fund. The bill made it all the way to the House Special Order Calendar, but it was not taken up.

HB 1221/SB 1664 would have required any **local option sales surtax or tourist development tax (TDT)** which is subject to approval in a referendum and is in effect on June 30, 2025, to be renewed on or before January 1, 2033. The bills originally limited these taxes to eight years. The Senate bill made it to the floor. HB 1221 passed the full House after an amendment to make significant changes to TDTs, including using 75 percent of TDT revenue for property tax relief. This language was also in the House tax package (HB 7033), but it was not included in the final tax package.

HB 503 would have prohibited cities and counties that adopted a **local business tax** ordinance before July 1, 2025, from increasing or modifying the rate. Annual revenue would be limited to the amount collected in FY 2023-24 or 2024-25, whichever is greater. Excess revenue would have to be refunded. HB 503 made it to its last committee.

SB 1322 proposed the **"Florida Rural Jobs Act"** to use insurance premium tax credits to incentivize investors to fund certified rural fund entities that will make capital or equity investments or loans to businesses located in rural areas. These credits were capped at $7.143 million annually. SB1322 passed its first committee.

SB 1264 created the **Research, Innovation, Science, and Engineering (RISE) Investment Tax Credit Program** to increase venture capital investment in Florida. SB 1264 made it to its last committee.

SB 62/HB 143 established a **tax credit program for owners of resilient buildings** with specific LEED certifications. Both bills were passed by a committee.

SB 266 exempted the sale, lease, or transfer of **electric vertical takeoff & landing (eVTOL) aircraft** from manufacturer to operator from the sales tax. The bill was approved by the Transportation Committee.

SB 532 created a **toll exemption for veterans** who are 100 percent disabled veterans or are Purple Heart license plate holders. The bill made it to its last committee.

Property Taxes

Early on, it appeared that the big tax issue for this session would be property taxes. The Governor, House Speaker, and Senate President had all stated that they want to lower property taxes, including the possibility of eliminating/replacing them. The Governor proposed a $5 billion property tax rebate for homestead property owners. Many bills and proposed constitutional amendments dealing with property taxes were filed. As the session progressed, the focus on tax relief shifted to the sales tax. But big changes to Florida's property tax system may be coming.

Select Committee will Explore Property Tax Relief Over the Summer

Early in the last scheduled week of session, Speaker Perez appointed a select committee to study property taxes over the summer and develop proposals for major property tax relief. He has directed the committee to draft one or more proposed constitutional amendments for consideration during interim committee meetings in the fall. The Speaker wants the House to vote on the bills in Week 1 of the 2026 session. The committee met for the first time on the last day of the regular session to hear a presentation on property taxes and a brief discussion of potential ideas that were put forward by the Speaker:

- **Requiring every city, county, and special district to hold a referendum** on the question of eliminating property taxes on homestead properties.
- Creating a new **$500,000 homestead exemption,** as well as a $1 million homestead exemption for properties owned by Floridians aged 65 and older, or who have had a homestead for 30 years, applicable to all non-school taxes.
- **Authorizing the Legislature to increase the homestead exemption** to any value by general law.
- **Modifying the assessment increase limitations** on property values:
  - For **homestead properties,** changing the cap from the lower of 3% or CPI to a flat 3% over any three-year period for all taxes
  - For **non-homestead properties,** changing the cap from 10% annually to 15% over any three-year period for all non-school taxes.
- Protecting Homeownership by **eliminating the ability to foreclose** on a homestead property due to a property tax lien.

Legislation That Passed in Regular Session

Agricultural Tangible Personal Property (TPP) - HJR 1215 proposes an amendment to the Florida Constitution to exempt TPP when it is located on agricultural land, used in the production of agricultural products or for agritourism activities, and owned by the landowner or leaseholder of the agricultural land. This would save $28.7 million. This proposal will go to the voters in November 2026.

Property Tax Provisions Included in the Final Tax Package

Property Tax Incentives for Affordable Housing - The final tax package (HB 7031) revises two existing housing exemptions and creates two new ones. See the Housing section for more information.

Citrus Property - Tangible personal property owned and operated by a citrus packinghouse or processor will be assessed at its salvage value for the 2025 tax roll if the property is no longer used in the operation of a facility due to the effects of citrus greening.

In addition, the length of time lands may be classified as agricultural after the property is removed from production due to citrus greening or other state or federal quarantine restrictions is increased from 5 years to 10 years after the date of execution of a compliance agreement with state or federal agencies. For lands replanted with citrus, the length of time a de minimis assessment may be provided is also extended to 10 years.

Child Care Facilities - Any portion of property used as a child care facility that has achieved Gold Seal Quality status will now be exempt from property taxes.

Flight Simulators - Any Federal Aviation Agency qualified flight simulation training device, and the equipment and software necessary to operate it, will now be considered owned by a governmental unit if the device reverts to the governmental unit upon the expiration of the lease. This allows the property to qualify for the governmental exemption from tangible personal property taxes.

Value Adjustment Boards (VABs) –

- Property appraisers are now required to provide a VAB petitioner with the evidence intended to be presented at a VAB hearing at least 15 days prior to the hearing. The petitioner no longer has to provide a written request to receive the evidence.
- Counties are now required to allow petitioners to appear remotely at VAB hearings.
- The maximum filing fee for a petition with the VAB will increase from $15 per parcel to $50 per parcel.
- The current deadline for a taxpayer to appeal a VAB's final action in court is 60 days after the action. However, a taxpayer will now be allowed to appeal within 30 days after recertification by the property appraiser if the roll was extended.

Legislation That Did Not Pass

Huge Property Tax Relief Proposal – In addition to its tax package, the House passed a proposed constitutional amendment (HJR 1257) that would result in billions of dollars in property tax relief. It would create a property tax exemption for new homebuyers who have not received a homestead exemption in the previous four years. The additional exemption would be equal to 50 percent of the just value of the property, capped at the median value of homestead property in the county. The exemption would then be reduced by 20% each year and phased out over five years. This exemption applies only to nonschool property taxes. The bill would also provide the same homestead exemptions and Save Our Homes assessment increase protection that homestead property receives to any property that is under a residential lease of at least 6 months and is owned by a person who receives a homestead exemption on their primary residence. There is no limit to the number of rental properties that could receive these benefits. The new homeowner exemption has not been scored yet, but the rental property measure would reduce property taxes by $1.9 billion annually. The amendment would have gone to the voters in November 2026. The Senate did not take it up. The House select property tax committee will likely consider this during the summer.

Property Tax Study - The final tax package included a provision requiring a study of Florida's property tax system and the expenditure of property tax revenues by recipient local governments by the Office of Economic and Demographic Research by November 1, 2025. The study would develop an array of options to eliminate or reduce property taxes on homestead properties and provide policy options for mitigating negative fiscal consequences. **However, the Governor vetoed this section of the bill, along with a $1 million appropriation to fund the study.** The Governor stated, "we know what needs to be done, so let's just do it."

Property Tax Exemption for Surviving Spouses of Quadriplegics - HJR 163 is a proposed constitutional amendment to allow a current exemption for homes owned by quadriplegics to pass on to a surviving spouse. There are already several instances in Florida law that allow exemptions to transfer to surviving spouses. Spouses are often the full-time support person and may not work or even have much work experience. **Florida TaxWatch has testified in support of this amendment** which can help ensure that someone who just lost their husband or wife does not lose their home as well. It passed the House but was not taken up by the Senate.

Agricultural TPP Damaged by Hurricanes - One of the many provisions in SB 180 (Emergency Preparedness and Response) provides that for one year only, agricultural tangible personal property (TPP) that was unable to be used due to Hurricanes Debby, Helene, or Milton, will be assessed at salvage value for property taxes. The bill passed the Senate, but the House took this provision out.

Improvements to Mitigate flood damage - SJR 174/HJR 1039 are proposed constitutional amendments to authorize the Legislature to prohibit the consideration of any change or improvement made to mitigate a homestead property's susceptibility to flood damage in determining the assessed value of the property. If passed by voters, it would have provided tax savings of $29.9 million. Both bills made it to 2nd readings in their respective chambers but died there.

Passed At Least One Committee, But Stalled

Disabled Vets – SB 218 would have increased the current exemption for veterans with a 10 percent or greater disability from $5,000 to $10,000.

Wind Damage Improvements - HB 1339 would have prohibited considering improvements to residential property to resist wind damage in assessing value.

Agricultural Improvements - SB 786 would have exempted any improvements to property located on agricultural land and used for an agricultural purpose.

Non-profit Homes for the Aged - HB 321 expanded the current exemption to include nonprofit homes for the aged owned by a Florida limited partnership whose sole general partners are not licensed under chapter 429, and which are wholly owned by a not-for-profit corporation.

Tax Deferrals/Tax Certificates - HB 761 would have limited eligibility for tax deferrals to homesteads valued under $1 million or less and increased the minimum value of a tax certificate eligible for public auction or electronic sale from $250 to $500.

Major Property Tax Relief Proposals That Did Not Advance

There were some big, and inventive, property tax relief proposals that were not considered in committee but could surface again if the Governor and Legislature keep pushing for a review of property taxes with the goal of reducing or eliminating them. The House select committee could also consider these over the summer.

Big Exemption for All - HJR 357 proposed a new $100,000 exemption for all property and all levies. This would be on top of all current levies. Tax savings - $13.5 billion annually.

Increase and Index Homestead Exemption - SJR 1016 proposed to increase the homestead exemption from $25,000 to $75,000 and increase it annually by inflation. The additional $25,000 homestead exemption would be repealed, making it a net $25,000 increase. The $75,000 exemption would apply to all levies. Currently the additional $25,000 exemption does not apply to school levies. Tax savings - $2.6 billion.

Replace Save Our Homes - HJR 773/SJR 1092 would assess homestead property at the most recent purchase price, or, in the case of new construction, the cost of construction. Assessment will not change unless sold or improved.

Low-Income Seniors - SJR 326/HJR 1025 limited the assessed value of the homestead property of low-income seniors to the value of the property when the senior turned 65. SJR 326 would use just value, HJR 1025 would use assessed value.

Millage Cap - HB 787/SB 996 provided that the maximum millage rate local governments may levy is 102 percent of the rolled-back rate. In addition, all of the values currently excluded from the rolled-back rate calculation—such as new construction and additions—would be included, resulting in a lower rate. **Florida TaxWatch believes that controlling millage rates is the best way to truly control property taxes in an equitable manner.** Reductions in taxable value for classes of properties tend to shift tax burden to others and increasing millage rates can blunt savings.

Targeted Tax Rebates - SB 1308 would have allowed counties or municipalities, by ordinance, to establish an ad valorem tax rebate program for property owners in designated areas where the municipality determines it is necessary for the health, safety, and welfare of its residents.

Economic Development

Legislation That Passed

Aerospace Industry - SB 1516 establishes the International Aerospace Innovation Fund (IAIF), administered by Space Florida, to accelerate global aerospace innovation by funding collaborative research and development projects, workforce development initiatives, and commercialization efforts.

Tourist Development Taxes – The tax package (HB 7031) expanded the allowable uses of these taxes by allowing all coastal counties to use them for beach lifeguards and fiscally constrained coastal counties to use them for capital improvements to public buildings.

Legislation that did not Pass

Rural Renaissance – A priority of President Albritton, SB 110 was a wide-ranging bill, complete with $200 million in appropriations to create "opportunities for rural communities to expand education offerings, increase health care services, and modernize commerce." The bill also redirected millions to transportation and affordable housing projects in fiscally constrained counties. Additionally, the bill created the Office of Rural Prosperity, and two new grant programs benefiting rural communities: the Renaissance Grant Program and the Public Infrastructure Smart Technology Grant Program. SB 110 was approved by the full Senate in Week 3. Late in the session, the House put various provisions from SB 110 into at least three separate bills with provisions not in the Senate bill, including HB 991, dealing with the termination of Community Redevelopment Agencies. The House also removed the appropriations from the bill. The Senate would not accept the House amendment. The bill was included in the extended session call but did not make it to a conference agreement.

Tourism Development Taxes (TDTs) - The House tax package (HB 7033) wanted to make TDTs unrelated to tourism development. The bill turned TDT revenue into general revenue for local governments, allowing them to spend it for any purpose. Any debt obligations or existing contracts would still be paid. Beyond that, there would be no requirement to spend any of it on its original purpose—tourism promotion. Starting in FY 2026-27, counties would be required to use at least 75 percent of the TDT revenue to reduce county property taxes by an equal amount. All tourist development councils would be dissolved on December 31, 2025. Florida TaxWatch commends the House for looking for innovative ways to provide much-needed property tax relief, but we have historically supported using TDTs for tourism promotion and our research has shown that elimination of funding for promotion will hurt tourism and therefore the economy.

Legislation That Did Not Pass

Manufacturing - SB 600 and HB 561 created the Statewide Office of Manufacturing within the Department of Commerce, led by a Chief Manufacturing Officer responsible for state manufacturing activities and strategy. The bills also create the Florida Manufacturing Promotional Campaign to promote manufacturing products and businesses, which would be funded by a fee of up to a $100 on each participating company (linked bills SB 602/HB 563). It would also establish the Florida Manufacturers' Workforce Development Grant Program to support small manufacturers with new technologies or cybersecurity infrastructure and provide workforce training support. Florida TaxWatch has produced voluminous research on the importance of manufacturing and supports these efforts which are consistent with past recommendations. SB 600 was approved by the full Senate, but HB 561 only made it to 2nd reading. The House bill was amended to remove a grant program to support small manufacturers with new technologies, cybersecurity infrastructure, and workforce training support. The Senate bill still contained the grant program.

Research and Development Tax Credit – SB 1224 would increase the cap on the total amount of R&D tax credits the state can grant from $9 million to $50 million annually. Florida TaxWatch has long supported increasing the R&D credit cap. The bill was approved by the Commerce and Tourism Committee in Week 2, but it did not get any further.

Community Redevelopment Agencies (CRAs) – HB 991 and SB 1242 both initially would sunset CRAs. Created in 1969, CRAs are established by cities or counties to revitalize slums and "blighted" areas, usually using tax increment financing. There are currently 200 CRAs in Florida. This legislation would terminate all CRAs on October 1, 2045, unless their

charter has an earlier date for termination. Local government would no longer be able to extend them. CRAs with outstanding debt would be able to keep operating until the bonds mature. No CRA would be able to issue new debt or start a new project after October 1 of this year. Sponsors cited widespread mismanagement as the reason for the legislation, but some committee members cited some very successful ones. The debate centered around total elimination vs. reform. The House added numerous provisions from the Senate's "Rural Renaissance" bill to HB 991 (See SB 110 above).

Environment

Legislation That Passed

Dedicated Funding for Environmental Resources – In 2024, the Legislature passed a law that dedicated 96 percent of the Indian Gaming Revenue to environmental resources. Funds would be used for the Wildlife Corridor, land management and invasive species removal, the Local Trail Management Grant Program, the Resilient Florida Trust Fund, and the Water Quality Improvement (WQI) Grant Program. Florida TaxWatch applauded this new law, especially the dedicated funding for the WQI grants, which advances our recommendation for a better planning and project selection process for water projects. The Department of Environmental Protection (DEP) is required to coordinate with water management districts to identify grant recipients in each district and to coordinate with local governments and other stakeholders to identify the most effective and beneficial projects. DEP must consider criteria such as the estimated reduction in nutrient load per project; project readiness; the cost-effectiveness of the project; and the cost share identified by the applicant. DEP must prioritize projects based on these criteria. HB 5011 eliminates these distributions, directing all the Indian Gaming Revenue into General Revenue. The WQI grant program will lose an estimated $534.2 million in this fiscal year, with the loss growing to $718.6 million by FY 2029-30. The grant program will continue to receive an annual distribution from the documentary stamp tax of approximately $125 million. The negative consequences of this were highlighted by the new budget. The Legislature appropriated $436.5 million for the WQI grants, but used it all for 314 member projects, which are not prioritized on the statutory criteria and do not have a thoughtful, deliberate selection process like the WQI grants. The Governor also had problems with many of these projects, vetoing 63 of them ($53.9 million).

Distributed Wastewater Treatment Systems - SB 796 provides permit guidelines for the implementation of distributed wastewater systems. These systems are much better alternatives to septic tanks. Florida TaxWatch published *Septic-to-Sewer: Protecting Florida's Ground and Surface Water* to highlight the need to improve Florida's wastewater system. In our report, we recommend the Florida Legislature requires enhanced, nutrient-reducing technology for onsite sewage treatment and disposal systems (OSTDSs) when conversion to sewer is not feasible. **Florida TaxWatch provided testimony** to the Fiscal Policy Committee, which passed the bill.

Septic to Sewer Conversion - HB 1123 authorizes municipalities to use revenue generated by the operation of a central sewage system to expand their central sewage system. **Florida TaxWatch supports this as a way to facilitate the conversion of septic tanks to sewer systems.**

Stormwater System Inspection and Flooding Project Prioritization - SB 180 is a large emergency preparedness and response bill that has a provision that advances the Florida TaxWatch goal of better statewide planning and prioritization of water projects. The Department of Environmental Protection (DEP), working with water management districts (WMDs), local governments, and operators of public and private stormwater management systems, will be required to produce a Flood Inventory and Restoration Report. The report must Identify priority infrastructure needs within each WMDs that may result in flooding or property damage if left unaddressed. It will include an inspection and maintenance schedule for each project and the information necessary to develop a list of facilities prioritized for funding to address flooding issues.

Development of State Parks - HB 209, filed in response to the public outcry over a plan that surfaced last year, will prevent development such as golf courses, resort-style lodges, and pickle ball courts on State Park land. Even though some think that a late Senate amendment weakened the bill, the House accepted it.

Statewide Waste Reduction and Recycling Plan - HB 295 directs the Florida Department of Environmental Protection to develop a three-year plan based on its report on reaching Florida's recycling goal. The plan must

include strategies for recycling education and outreach, local government recycling assistance, and recycling materials market development. **Governor DeSantis vetoed this legislation.**

Legislation That Did Not Pass

Water Quality Work Program - This is one of Florida TaxWatch's top priorities. Last session, legislation was filed to create a multi-year Water Project Work Program, as recommended in our "Water Infrastructure Projects are Vital: Develop and Fund a 3-5 Year Strategic Work Program." Florida has been making large investments in the state's vital water resources. But inconsistent funding, separate avenues for funding, and the huge number of member-requested water projects makes coordinated statewide planning difficult and does not ensure that the best projects are selected for funding. **Florida TaxWatch believes that selection should be competitive, with each project evaluated and prioritized using an established set of measurable criteria.** A data-driven process, based on science, can ensure the projects with the best return-on-investment are chosen. This is what a Water Project Work Program can accomplish. There is a lot of support for the idea but there is a perception that more time is needed to develop it. **Florida TaxWatch urges the Legislature to address this next session.**

Advanced Wastewater Treatment - There is other legislation that is being considered that advances to goals of a water project work program. SB 978 is a more limited application of the concept. The legislation directs the Department of Environmental Protection to compile a comprehensive list of wastewater treatment facilities, with the information needed to develop priority rankings guide the policy and funding of the Legislature. Sponsor Senator Lori Berman stated we must make sure "we are spending taxpayer dollars wisely and putting the most in need projects at the top of the list when it comes to state funding," **Florida TaxWatch could not agree more.** Unfortunately, after making it to its last committee (Fiscal Policy), SB 978 stayed there.

Nature-based Methods for Improving Coastal Resilience – SB 50 and HB 371 are Florida TaxWatch supported bills that would promote the use of green infrastructure and nature-based solutions to resiliency. The Florida Flood Hub for Applied Research and Innovation would develop design guidelines and standards and models for conceptual designs for green and gray infrastructure. DEP is directed to adopt rules for nature-based methods for coastal resilience and conduct a statewide assessment to "determine the value of nature-based methods for coastal flood risk reduction" in efforts to improve coastal community flood ratings for the National Flood Insurance Program. **Florida TaxWatch has issued two reports (here and here) on nature-based resiliency,** citing its benefits and potential for cost savings, and highlighting a success story in Jacksonville. The failure of this legislation was disappointing. The bills had a lot of momentum early and SB 50 passed the Senate two weeks into session. HB 371 made it through all of it committees by week 3 but died on 2nd reading.

Resiliency Public-Private Partnerships - SB 1580 would give the Department of Environmental Protection (DEP) the exclusive authority to carry out coastal resiliency projects through public-private partnerships. The bill provides that, to encourage investment from the private sector in such projects, DEP could enter into long-term revenue-sharing agreements and provide expedited permitting for construction. DEP could also engage in-state vocational schools and apprenticeship programs to train workers in specialized resiliency construction. **Florida TaxWatch research has both highlighted the importance of addressing resiliency and promoted the increased use of public-private partnerships.** SB 1580 made it through all its committees but was not heard on the floor.

Carbon Sequestration - HB 1063 and SB 1148 would create the Carbon Sequestration Task Force under the Department of Environmental Protection. This task force will provide recommendations for the development of a statewide carbon sequestration program. Carbon Sequestration is the long-term storage of carbon in plants, soils, geologic formations, and the ocean through land and aquatic habitat management. It can help reduce the amount of carbon dioxide in the atmosphere to help address climate change. The Florida TaxWatch report **"We Can't Wait on Water: The Restoration and Protection of Florida's Water Resources is an Essential Taxpayer Investment" included information on the value of carbon sequestration and the value of mangroves in that process.** After some initial movement, both bills died in committee.

Housing

Despite all the work the Legislature has done on affordable and workforce housing in the last two years, including the Live Local Act, it remains a focus. This includes increasing the stock of low-income rental housing and helping make homeownership more affordable for middle-income working families. Many housing bills were filed, including ones that expand existing incentives and promote adaptive reuse-rehabilitating property such as historic preservation, hotels, and shopping centers to create affordable housing.

Legislation That Passed

Live Local III - SB 1730 amends various provisions of the Live Local Act, passed during the 2023 Regular Session, related to the preemption of certain zoning and land use regulations to authorize affordable housing developments. For example, the bill eliminates or raises local restrictions on density, floor area ratio, and height for qualifying developments and limits the amount of nonresidential space required in mixed-use projects. It also reduced parking requirements.

Property Tax Incentives - The final tax package (HB 7031) revises two existing exemptions and creates two new ones. The bill provides that the exemption commonly referred to as the "Missing Middle" exemption may continue to successive owners, despite any local government's election to "opt out" of the exemption. The exemption for land that is owned by a non-profit and used for affordable housing is expanded to include land leased from a Housing Finance Authority. The exemption would now also apply to improvements used to provide affordable housing on the land, rather than only the land itself. The bill also creates a new property tax exemption for affordable housing projects located on land owned by the state of Florida where the improvements are owned and operated by private parties, regardless of whether they are non-profit or for-profit. The project must provide at least 70 units of affordable housing. Lastly, a new property tax exemption is created for newly constructed affordable housing projects located on land owned by a governmental entity and leased for at least 30 years for the purpose of providing at least 70 units of affordable housing.

Young Adult Housing Assistance - SB 584 expands housing access and support services for students who are current or former foster youth or experiencing homelessness. Florida colleges and state universities must develop plans prioritizing the placement of eligible students in campus housing. It directs the implementation of the federal Foster Youth to Independence housing initiative.

Legislation That Did Not Pass

"Granny Flats" - SB 184 would have required local governments to allow accessory dwelling units (ADUs) in single-family residential areas. The bill prohibited denial of a homestead exemption solely because a property contains an ADU and requires separate taxation if the ADU is rented. OPPAGA was required to produce a study of mezzanine financing and tiny homes for potential inclusion in affordable housing solutions. SB 184 was approved by the full Senate, but a House amendment was unacceptable to the Senate and the House refused to recede.

Affordable/Workforce Housing Incentives - SB 1594 would have expanded existing housing tax exemptions and other incentives and creates a new credit for rehabilitating historic properties for use as affordable housing. Adaptive reuse projects that turn non-residential properties into affordable housing would be added as qualifying projects to several existing incentives. The currently dormant State Housing Tax Credit Program—which has not been used since it was established in 1999—would have been expanded to allow projects that dedicate 100 percent of the units to low-income residents. The recent Florida TaxWatch report "*More States Are Using State-Level Tax Credits to Address Workforce and Affordable Housing Deficits*" found that many other states are having success with these credits and recommends that they would all be great additions to Florida's housing toolbox. This bill died in committee, but other tax incentives were included in the final tax package (see above).

Insurance

Legislation That Passed

Reinsurance Funds – In 2022, the Legislature created two funds to reimburse eligible insurers for covered losses - the Reinsurance to Assist Policyholders (RAP) Program and the Florida Optional Reinsurance Assistance (FORA) Program. A total of $3 billion in transfers from the General Revenue (GR) Fund to insurers were authorized to help insurers with skyrocketing private reinsurance rates and help reduce premiums for Floridians. Reinsurance costs have dropped and the need for these programs has lessened. HB 5013 reduces the authorized transfers to the RAP program from $2 billion to $900 million and eliminates the FORA program (and its $1 billion in authorized transfers), for which no transfers have been made. This will increase the amount of unobligated GR by $2.1 billion, boosting the state's cash reserves.

My Safe Florida Condominium Pilot Program - The 2024 Legislature created the pilot program to provide condominium associations with a program similar to the My Safe Florida Home Program for single-family, detached residential properties and townhomes. It provides condos with free inspections and grant funding for wind mitigation improvements. HB 393 and SB 592 limit participation in the program to condominiums that are three stories or more in height and are within 15 miles of the coastline. They also require at least 75 percent of unit owners to approve a mitigation grant, rather than the currently required unanimously approval. The bills set a requirement for matching grants, with the state contributing $2 for every $1 provided by the association towards the actual project costs.

Health Insurance for Farmers - SB 480 allows the Florida Farm Bureau to offer health coverage plans to its members. These medical benefit plans will be exempt from insurance regulation and consumer protections that apply to other health insurers and policies. Many rural communities have limited access to medical providers and affordable health insurance coverage.

Legislation That Did Not Pass

Attorney Fees in Insurance Litigation — HB 947 would have required courts to award attorney fees to prevailing parties for certain insurance cases. This bill would have undone the 2023 tort reform legislation that was implemented to help restabilize the state's property insurance market. **As discussed by a Florida TaxWatch briefing, the property market currently shows sign of promise, but disrupting recent reforms could risk further improvement.** After adding the language to an unrelated Senate bill (SB 832 - Former Phosphate Mining Lands), the House approved the bill. The Senate, however, refused to concur.

PIP Auto Insurance - HB 1181 would have switched Florida's current no-fault PIP system to a fault-based system and require bodily injury coverage of $25,000 per individual, $50,000 per incident, and $10,000 in property damage. Florida's $10,000 PIP coverage limit has been unchanged since the 1970s. The bill made it as far as the Judiciary Committee but died there.

Human Review of Insurance Claims – SB 794 would have prohibited the use of artificial intelligence, machine learning algorithms, and automated systems as the sole basis for denying claims, requiring that an insurer's decision to deny a claim must be reviewed, approved, and signed off on by a qualified human professional. This bill only made it through one committee.

Health, Children, and Aging

Legislation That Passed

Health Care Provider Scope of Practice - In an effort to address health care workforce shortages, increase access to care, and reduce costs, a number of bills were filed to expand certain practitioners' scope of service.

- HB 519 will allow health care practitioners to authorize a certified paramedic, under their direction and supervision, to administer a controlled substance in the course of providing emergency services.
- HB 647 gives APRNs and PAs the authority to sign death certificates. Other states have done this to avoid the bottlenecks and delays that are occurring in Florida.

Florida TaxWatch research has supported the past expansion of scope of service for Advanced Practice Registered Nurses and Physician Assistants.

Child Welfare - SB 7012 addresses child welfare workforce issues by requiring the Department of Children and Families to create a Child Protective Investigator and case manager recruitment program and convene a case management workforce workgroup composed to address current policy gaps and develop actionable recommendations. It also creates a four-year pilot program for treatment foster care and enhances the data and information related to commercial sexual exploitation of children that the state must collect and report. The pilot program would introduce a short-term, family-like placement option for children in foster care that have high resource indicators or children that are stepping down from a placement in an inpatient residential treatment. The Senate bill contained a $3.3 million appropriation for the pilot program and recruitment program. The House removed the appropriation. **A Florida TaxWatch report highlighted the child welfare workforce crisis and the need for a case manager recruitment program and more funding for case managers.**

Nursing Education – HB 1427, which started out as the House companion to the Senate's "Rural Renaissance" bill, morphed into a bill about nursing education before it finally passed. The bill establishes new requirements for nursing education programs to be approved by the Board of Nursing, including the adoption of standardized evaluation and admission criteria, a comprehensive exit exam, and a remediation program. It reduces time an approved nursing education program can fail to meet statutory requirements before being placed on probation from two years to one year. It requires the Board to terminate a program for failing to adhere to the annual reporting requirements. Department of Health staff are authorized to conduct on-site inspections of nursing education programs to assess compliance with requirements. Nursing program directors are required to submit a remediation plan if a program fails to meet the required graduate passage rates. A nursing education program on probationary status must offer remediation at no additional cost to students the exit examination or preparation course. If a program's graduate passage rate is below 30 percent, the program must reimburse tuition and fees for each student who failed to pass the National Council of State Boards of Nursing Licensing Examination as a first-time test taker.

Legislation That Did Not Pass

Health Care Provider Scope of Practice

- HB 649 would have allowed Certified Registered Nurse Anesthetists to practice to the full extent of their education and training without "illusory" physician supervision, as 43 states already do.
- HB 883 would have authorized psychiatric nurses registered for autonomous practice to engage in the practice of psychiatric mental health services, as determined by the Board of Nursing, without an established physician protocol.

Social Work Licensure Interstate Compact - HB 27 would have established the Compact, enabling licensed social workers to practice across state lines in all participating states, whether in person or through telehealth. There is a shortage of qualified professionals, and this compact could help increase Floridians' access to quality care and social work services, no matter where they are. **Florida TaxWatch research supported last year's licensure compact bill to help address the escalating physician shortage**, HB 27 was approved unanimously by the full House, but the Senate did not take it up.

Alzheimer's Disease Awareness Program - SB 398 and HB 1065

would have required the Department of Elder Affairs to contract for the development and implementation of the Alzheimer's Disease Awareness Program. The program would assist Florida residents that are affected by Alzheimer's disease and dementia related disorders with obtaining reputable national research. **Florida TaxWatch has long supported Alzheimer's disease research as a worthwhile, high-return investment for Florida**. SB 398 passed the full Senate, with an amendment that took out a $1.5 million appropriation for the awareness program. The House bill didn't make it out of its last committee.

Medicaid Recipients with Disabilities – HB 1227 would have helped these recipients keep their coverage unless there is a significant change in their disability status or financial eligibility. Many disabled recipients lost coverage during the post-pandemic Medicaid "unwinding" due to bureaucratic issues such as failing to respond to state information requests. The House unanimously passed its bill, and the Senate bill got through all its committees, but the Senate did not vote on either.

Transportation

Legislation That Passed

Omnibus Transportation Bills - SB 462 and SB 1662 both contain numerous provisions dealing with transportation. The bills went through extensive amending. Provisions were added, changed and deleted. Both bills passed and contain some good provisions. SB 462 enables the Department of Transportation (DOT) to acquire property in advance for future corridor preservation, fund workforce development grants, streamline certain design-build and bidding processes, and require performance measures for metropolitan planning organizations. It also creates a Next-generation Traffic Signal Modernization Program. SB 1662 creates the Florida Transportation Research Institute and allows new seaport projects involving spaceports, commercial shipbuilding, and manufacturing. It prohibits municipalities from limiting septic-to-sewer conversions, increases statewide right-of-way regulations, and strengthens DOT's capacity to acquire insurance and heavy equipment for emergency response.

Legislation That Did Not Pass

Electric Vehicles/Transportation Funding - HB 567, SB 462, HB 1397, and SB 1662 all originally had provisions that would provide additional funding to the State Transportation Trust Fund in response to the loss of motor fuel tax revenues caused by increased use of electric vehicles. **A recently published Florida TaxWatch report recommended implementing legislation that distributes sales tax to the State Transportation Trust Fund.** Unfortunately, the provision was abandoned in committee substitutes for each bill. **SB 462 and 1662 passed without the EV provision (see above).**

Highway Landscaping - A Florida TaxWatch report looked at funding of the highway landscaping program (more than $70 million in 2023). Florida law requires at least 1.5 percent of road construction costs be spent on plants. **We recommended that the Legislature create a tiered pricing system to increase flexibility** (as was considered in 2024) and establish an upper limit on how much can be spent on roadway landscaping. SB 462 passed (see above) and made some changes to the landscaping statute, but the tiered system was not included and language in the original bill to limit funding on large construction projects (more than $500 million) was taken out of the bill.

Government Efficiency and Accountability

Legislation That Passed

Administrative Rulemaking - SB 108 creates a process for review and repeal of administrative rules. All existing rules will have to be reviewed by 2030 (20 percent a year for five years). New rules will have to be reviewed five years after adoption. Agencies will be required to publish rule changes electronically and make incorporated documents publicly accessible. It also requires tracking of agency compliance with licensing timeframes. Florida TaxWatch commends the Legislature for this overdue legislation.

Legislation That Did Not Pass

Florida Accountability Office (FAO) - HB 5009 would have established the FAO in the Legislature. There would be four divisions, and each would have primary responsibility for various types of audits and investigations. It reorganized audit functions and expanded the audit mission to include investigations of whistleblower complaints and other matters. The bill also revised a number of provisions relating to state planning and budgeting. **The bill has a provision that Florida TaxWatch finds is very much needed.** It requires the Auditor General and the Public Integrity Division to randomly select and review appropriations projects (member projects), and if appropriate, investigate and recommend an audit of such projects. Each review must include an evaluation of the appropriations project recipient's efficient and effective administration of the project. **Florida TaxWatch has recommended increased scrutiny of member projects for many years.** HB 5009 passed the House but died on 2nd reading in the Senate.

Agency Long-Range Program Plans - SB 7024 improves the plans by requiring inclusion of performance measures including: administrative costs as a percentage of agency costs; percentage of corrective actions taken within 6 months after audit findings; spending on services by private attorneys; and information on licensures and permits timeframes and contracting information. The plans would also be required to include implementation updates on any law enacted in the previous legislative session. This was approved unanimously by the Senate, and it requested the House pass the bill or include it in the budget conference. The House did neither.

Information Technology - SB 7026 would establish a central IT governance body to promote uniformity and efficiency across agencies. It would require annual IT expenditure reporting, IT architecture standards, and agency assessments, including cybersecurity risk assessments. IT procurement would be standardized and subject to increased oversight. **See the Florida TaxWatch report "It's Time to Reform Florida's Information Technology Procurement and Oversight."** This was approved unanimously by the Senate, and it requested the House pass the bill of include it in the budget conference. The House did neither.

Commissioner of Government Efficiency - The House considered another approach to government efficiency. HJR 1325 is a proposed constitutional amendment to create the Commissioner of Government Efficiency as a Cabinet officer responsible for investigating and reporting on fraud, waste, and abuse. The amendment would eliminate the Lieutenant Governor, the Government Efficiency Task Force, and the requirement that the Legislature appoint an Auditor General. HJR 1325 was approved by the House, but it was not taken up by the Senate. The Senate had a similar bill (SJR 175) which passed one committee and withdrawn from further consideration.

The Budget

This year's budget process was a long and difficult one, ultimately requiring an extended session to complete it. The House and Senate budgets were $4 billion apart, largely because the two chambers had very different positions on tax relief. The House's tax plan included a reduction in the sales tax rate from 6.0 percent to 5.25 percent, which would have resulted in a $5 billion recurring revenue loss. The Senate plan had a $750 million recurring reduction in state revenue. With such a large difference in the amount of money available for the budget, negotiations had a hard time getting untracked. There were major policy differences as well.

Ultimately, a tax package was worked out (see Taxation section) and the budget fell into place. The result was a $115.1 billion budget, which was $3.5 billion less than the last one. However, the budget spends $440 million more than in General Revenue. More surprisingly, even with a lot of talk about the need to reduce recurring expenditures to avoid projected future budget shortfalls, the new budget increases the recurring base GR budget by $1.9 billion. A reduction in federal funds of $2.0 billion and state trust funds of $2.3 billion, along with less nonrecurring GR spending, made the bottom line lower.

Budget Highlights

Budget Vetoes – Governor DeSantis signed the budget on June 30, the day before the new fiscal year began. He also issued his line-item vetoes, cutting 470 appropriations, which lowers the budget total by $376 million. He also vetoed some budget transfers and trust fund sweeps which are not appropriations and do not reduce spending.

After subtracting these vetoes and adding $57.7 million in appropriations in general bills, the net total of the new budget is $114.8 billion.

Debt Reduction – Florida TaxWatch commends the Governor and the Legislature for their commitment to reducing outstanding state debt. Florida has retired $7.3 billion in tax-supported debt since 2019. The new budget has a provision to use $580 million to continue this effort. In addition, HB 5017, passed during extended session, will ensure it continues by creating the Debt Reduction Program and requiring $250 million annually to be transferred to the State Board of Administration for this purpose.

Reserves – The new budget maintains very healthy reserves of $12.6 billion. This is comprised of $7.2 billion in unobligated GR (after vetoes), $4.9 billion in the Budget Stabilization Fund (BSF) and $500 million in the Emergency Preparedness and Response Fund (EPRF). The budget added $429.6 million to the BSF and replenished the EPRF with $500 million. The addition to the BSF puts that fund at it its constitutional maximum balance, which is 10 percent of the prior year's GR collection. Further, the Legislature passed HJR 5019, which will bring a proposed constitutional amendment to the voters in November 2026 to further boost the BSF. The amendment would increase the cap to 25 percent of GR collections and require the Legislature to deposit $750 million annually into the fund. The new budget directed $750 million to be deposited into the BSF this year in advance of the amendment, but the Governor vetoed that provision.

Member Projects and Budget Turkeys – Despite much discussion about reducing spending, the new budget contains approximately 1,700 earmarked, mostly local, member projects, worth well over $2.5 billion. The Florida TaxWatch annual Budget Turkey Watch report identified 238 appropriations totaling $413.5 million that qualify as "Budget Turkeys." These are appropriations that bypass or violate established budget procedures or legislative and public scrutiny. In addition, the report highlighted $799.5 million in projects that, while not meet the Budget Turkey criteria, certainly merit extra scrutiny and close gubernatorial review. These two groups of appropriations are almost entirely member projects. More than half of the items vetoed by the Governor were highlighted in the Budget Turkey Watch report.

State Employee Positions (FTEs) – The 111,886 positions funded in the new budget (after vetoes and general bills) is a reduction of, 1,866 (1.6 percent). The positions were mostly unfilled.

State Employee Pay Raises – The budget funds a two percent ($1,000 minimum) pay raise for all state employees ($180 million). Additional pay increases are provided for state law enforcement officers, state firefighters, assistant state attorneys, and assistant public defenders ($70.6 million). Competitive area differentials are also authorized for state attorney, public defender and public defender appellate offices, as well as circuit and county judges in critical areas ($14.4 million). The Department of Transportation is authorized to increase salaries for recruitment and retention of critical employees ($10 million). **The Governor vetoed the increases for public defenders and for court employees in Miami-Dade County ($5.0 million).**

Public Schools – The budget provides $29.5 billion for the Florida Education Finance Program (FEFP). This $9,130 per student, an increase of $143 (1.6 percent). Local property taxes will pay 71 percent of the increase. The Legislature kept the same millage rate, so rapidly rising property values will increase school property taxes by $674.5 million.

Higher Education – Colleges and universities will receive $8.9 billion (including tuition and fees), a 1.1 percent decrease from last year. University performance-based funding is restored ($350 million) to incentivize continuous improvement. Preeminent State Research Universities are provided with $40.0 million. Colleges and universities will receive $130 million to expand nursing education. Student financial aid is increased by $28.4 million, including fully funding Bright Futures.

Medicaid – Funding of $36.5 billion is provided for Medicaid and Kid Care, including $769,2 million for workload and price level increases. There will be an estimated 4,226,200 people enrolled in the Medicaid program. Provider rate increases are funded for Federally Qualified Health Centers and Rural Health Clinics, Pediatric Extended Care Centers, nursing homes, and targeted case management (total - $279.6 million).

Elder Care – Funding is provided to reduce the waitlist by 288 individuals for Alzheimer's respite services, 1,079 individuals for the Community Care for the Elderly program, and 910 individuals for the Home Care for the Elderly program.

Corrections - $100 million is provided to cover the Department of Corrections current year's deficit and fund the increased prison population.

Housing and Economic Development – Florida's affordable housing programs are receiving $235 million in funding, and the Hometown Heroes Housing Program gets $50 million – half of last year's funding. The Florida Job Growth Fund will receive $50 million, down from $75 million last year. Visit Florida gets $80 million to promote our state's tourism industry and $20.5 million goes to Space Florida for aerospace industry development and infrastructure funding.

Agriculture and the Environment - Funding is provided for:

- Everglades RestSoration - $691.5 million
- Water Quality Improvement - $675.2 million
- Flood and Sea-Level Rise and Planning Grant Programs - $170.0 million
- Conservation Land Acquisition and Protection - $334.0 million.
- Petroleum Tank Cleanup - $195.0 million
- Beach Restoration - $52.5 million
- Springs Restoration - $50.0 million
- Drinking Water and Wastewater Revolving Loan Programs - $2.4 billion
- Citrus Protection and Research - $124.5 million

About Florida TaxWatch

As an independent, nonpartisan, nonprofit taxpayer research institute and government watchdog, it is the mission of Florida TaxWatch to provide the taxpayers of Florida and public officials with high quality, independent research and analysis of issues related to state and local government taxation, expenditures, policies, and programs. Florida TaxWatch works to improve the productivity and accountability of Florida government. Its research recommends productivity enhancements and explains the statewide impact of fiscal and economic policies and practices on citizens and businesses.

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